



Entered on Docket
September 09, 2009

Hon. Gregg W. Zive
United States Bankruptcy Judge

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Proposed Reorganization Counsel for
Debtors and Debtors in Possession

Proposed Local Reorganization Counsel for
Debtors and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

In re:
STATION CASINOS, INC.

Chapter 11

Case No. BK-09-52477
Jointly Administered
BK 09-52470 through BK 09-52487

**FINAL ORDER PURSUANT TO 11
U.S.C. §§ 361, 362 AND 363 APPROVING
STIPULATION FOR (i) ADEQUATE
PROTECTION AND (ii) USE OF CASH
COLLATERAL WITH RESPECT TO
SECURED LOANS TO FCP PROPCO,
LLC**

Hearing Date: September 2, 2009
Hearing Time: 9:30 a.m.
Place: 300 Booth Street
Reno, NV 89509

- ☒ Affects this Debtor
- ☐ Affects all Debtors
- ☐ Affects Northern NV Acquisitions, LLC
- ☐ Affects Reno Land Holdings, LLC
- ☐ Affects River Central, LLC
- ☐ Affects Tropicana Station, LLC
- ☐ Affects FCP Holding, Inc.
- ☐ Affects FCP Voteco, LLC
- ☐ Affects Fertitta Partners LLC
- ☐ Affects FCP MezzCo Parent, LLC
- ☐ Affects FCP MezzCo Parent Sub, LLC
- ☐ Affects FCP MezzCo Borrower VII, LLC
- ☐ Affects FCP MezzCo Borrower VI, LLC
- ☐ Affects FCP MezzCo Borrower V, LLC
- ☐ Affects FCP MezzCo Borrower IV, LLC
- ☐ Affects FCP MezzCo Borrower III, LLC
- ☐ Affects FCP MezzCo Borrower II, LLC
- ☐ Affects FCP MezzCo Borrower I, LLC
- ☒ Affects FCP PropCo, LLC

#4822-8188-5188v3

Upon the motion, dated August 3, 2009 (the "Motion"),¹ of Station Casinos, Inc. and its affiliated debtors and debtors in possession (collectively, the "Debtors" or "Station")² in the above-captioned chapter 11 cases, for interim and final orders pursuant to sections 361, 362 and 363 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the "Bankruptcy Code"), (a) approving the Stipulation for (i) Adequate Protection and (ii) Use of Cash Collateral With Respect to Secured Loans to FCP PropCo, LLC (the "Stipulation"), (b) granting adequate protection to certain prepetition secured parties, (c) authorizing use of cash collateral (as defined in section 363(a) of the Bankruptcy Code, "Cash Collateral"), (d) granting related relief, and (e) scheduling a final hearing (the "Final Hearing") thereon; and upon consideration of the supporting declaration of Thomas M. Friel, sworn to on July 24, 2009; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. § 1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided; and it appearing that no other or further notice need be provided; and the Court having determined that the relief sought in the Motion is in the best interests of the Debtors, their creditors and all other parties in interest; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon all the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor, it is hereby

ORDERED that the Motion is granted on a final basis; and it is further

ORDERED that the terms and conditions of the Stipulation attached hereto as Exhibit 1 are approved and hereby so ordered and the mutual agreements contained therein are duly effectuated; and it is further

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Motion.

² The Debtors in these chapter 11 cases are Station Casinos, Inc., Northern NV Acquisitions, LLC, Reno Land Holdings, LLC, River Central, LLC, Tropicana Station, LLC, FCP Holding, Inc., FCP Voteco, LLC, Fertitta Partners LLC, FCP MezzCo Parent, LLC, FCP MezzCo Parent Sub, LLC, FCP MezzCo Borrower VII, LLC, FCP MezzCo Borrower VI, LLC, FCP MezzCo Borrower V, LLC, FCP MezzCo Borrower IV, LLC, FCP MezzCo Borrower III, LLC, FCP MezzCo Borrower II, LLC, FCP MezzCo Borrower I, LLC, and FCP PropCo, LLC.

1 **ORDERED** that subject to the terms and conditions set forth in the Stipulation
2 and Budget, attached to the Stipulation as Exhibit A, Debtor FCP PropCo, LLC (“PropCo”) is
3 authorized to use Cash Collateral on a final basis pursuant to Fed. R. Bankr. P. 4001(b) and LR
4 4001(b) until the earlier of (1) the expiration of the Budget, as approved in writing by the
5 Mortgage Lenders or (2) the occurrence of a Termination Event; and it is further

6 **ORDERED** that PropCo is authorized immediately to use Master Lease payments
7 as necessary to satisfy its ongoing obligations under the Mortgage Loan Agreement and to pay
8 its other operating expenses, subject to the terms and conditions set forth in the Stipulation and
9 Budget; and it is further

10 **ORDERED** that, notwithstanding any provision in the Federal Rules of
11 Bankruptcy Procedure to the contrary, the Debtors are not subject to any stay in the
12 implementation of the relief granted in this Final Order; and it is further

13 **ORDERED** that within two (2) business days of the entry of this Final Order, the
14 Debtors shall serve this Final Order upon the Master Service List pursuant to the Court’s Order
15 Establishing Notice Procedures; and it is further

16 **ORDERED** that this Court shall retain jurisdiction to hear and determine all
17 matters arising from the implementation and/or interpretation of this Final Order; and it is further
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ORDERED that notice of the Motion as provided therein shall be deemed good
and sufficient notice of the Motion.

SUBMITTED BY:

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###

EXHIBIT 1

EXHIBIT 1

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**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

In re:

STATION CASINOS, INC.

- ☒ Affects this Debtor
- ☐ Affects all Debtors
- ☐ Affects Reno Land Holdings, LLC
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- ☒ Affects FCP PropCo, LLC

Chapter 11

Case No. BK-09-52477-GWZ;
Jointly Administered

**STIPULATION AND FINAL ORDER
FOR (i) ADEQUATE PROTECTION
AND (ii) USE OF CASH
COLLATERAL WITH RESPECT TO
SECURED LOANS TO FCP PROPCO,
LLC**

Hearing Date: September 2, 2009
Hearing Time: 9:30 a.m.
Place: 300 Booth Street
Reno, NV 89509

1 TO THE HONORABLE GREGG W. ZIVE, UNITED STATES BANKRUPTCY JUDGE:

2 Station Casinos, Inc. ("SCI"), as a debtor and debtor-in-possession in the above-
 3 captioned chapter 11 cases (the "Cases"), its indirect wholly owned subsidiary FCP PropCo,
 4 LLC ("PropCo"), as a debtor and debtor in possession in the Cases, German American Capital
 5 Corporation and JP Morgan Chase Bank, N.A. ("Mortgage Lenders") in their capacity as lenders
 6 under the Mortgage Loan Agreement (defined below), and Deutsche Bank AG ("DB") as Swap
 7 Counterparty to PropCo with respect to the Existing PropCo Swap expiring November, 2012 (the
 8 "Swap"), hereby submit this final stipulation (the "Stipulation") pursuant to sections 361, 362
 9 and 363 of title 11 of the United States Code, 11 U.S.C. §§ 361, 362 and 363 (as amended, the
 10 "Bankruptcy Code"), for an order approving their agreement for the provision of adequate
 11 protection in accordance with the terms of this Stipulation.

12 In support of the Stipulation, SCI, Propco, the Mortgage Lenders, the Collateral
 13 Agent (as defined below), and DB (collectively the "Parties" and each individually a "Party")
 14 acknowledge and agree that the following recitals are true, and further stipulate by and between
 15 themselves as follows:

16 RECITALS

17 1. SCI and PropCo (collectively, the "Debtors") commenced these chapter 11
 18 cases on July 28, 2009 (the "Petition Date"). SCI and its non-debtor subsidiaries (collectively,
 19 the "Station Group") constitute a gaming entertainment enterprise that owns and operates under
 20 the "Station" and "Fiesta" brand names.

21 2. The Station Group owns and operates: (i) Palace Station Hotel & Casino
 22 ("Palace Station"), (ii) Boulder Station Hotel & Casino ("Boulder Station"), (iii) Texas Station
 23 Gambling Hall & Hotel, (iv) Sunset Station Hotel & Casino ("Sunset Station"), (v) Santa Fe
 24 Station Hotel & Casino, (vi) Red Rock Casino Resort Spa ("Red Rock"), (vii) Fiesta Rancho
 25 Casino Hotel, (viii) Fiesta Henderson Casino Hotel, (ix) Wild Wild West Gambling Hall &
 26 Hotel, (x) Wildfire Casino, (xi) Wildfire Casino – Boulder Highway, formerly known as Magic
 27 Star Casino, (xii) Gold Rush Casino, and (xiii) Lake Mead Casino.

1 3. Prior to the Petition Date, PropCo entered into that certain Amended and
2 Restated Loan and Security Agreement, dated as of March 19, 2008 (the "Mortgage Loan
3 Agreement"), with the Mortgage Lenders, pursuant to which the Mortgage Lenders made loans
4 and other financial accommodations to PropCo.

5 4. PropCo, as landlord, and SCI, as tenant, entered into that certain Master
6 Lease Agreement, dated as of November 7, 2007 and amended by that certain First Amendment
7 to Master Lease dated as of March 19, 2008 (collectively, the "Master Lease"), under which SCI
8 leases the four properties known as (i) Palace Station, (ii) Boulder Station, (iii) Sunset Station,
9 and (iv) Red Rock (collectively, the "Leased Hotels") from PropCo. The Master Lease is a
10 "triple net" lease under which taxes, insurance, capital expenditures, and other expenses (in each
11 case as provided therein) are born by SCI. SCI pays rent to PropCo both in the form of cash
12 payments to PropCo and cash payments to third parties on behalf of PropCo, all as required
13 pursuant to the terms of the Master Lease, for the use of such properties. The Leased Hotels, the
14 Master Lease, the rent due under the Master Lease, the cash collateral and certain other assets
15 pledged under the Security Instruments, Security Documents or other Loan Documents (as such
16 terms are defined in the Mortgage Loan Agreement) (collectively, the "Collateral"), are pledged
17 to the Mortgage Lenders or to German American Capital Corporation, as the Collateral Agent for
18 the Mortgage Lenders (the "Collateral Agent") to secure the obligations due under the Mortgage
19 Loan Agreement.

20 5. Subject to the rights of the Official Committee of Unsecured Creditors
21 (the "Committee"), the SCI Special Committee (defined below) or any Debtor that commences
22 an action identified by the SCI Special Committee, as such rights are described in paragraph (m)
23 herein below, the Collateral Agent has valid, perfected, and unavoidable first priority liens upon
24 and security interests in the Collateral; provided, however, that neither the SCI Special
25 Committee nor any Debtor may challenge the attachment or perfection of the liens and security
26 interests in favor of the Mortgage Lenders or Collateral Agent in respect of the Collateral.
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6. As of the Petition Date, the principal amount of \$1,800,000,000 (the “Mortgage Loan”), together with accrued and unpaid interest in an amount equal to \$1,271,958.33, was outstanding under the Mortgage Loan Agreement.

7. On August 7, 2009, the Bankruptcy Court entered its Interim Order Pursuant To 11 U.S.C. §§ 361, 362 And 363 Approving Stipulation For (i) Adequate Protection And (ii) Use Of Cash Collateral With Respect To Secured Loans To FCP Propco, LLC [Docket No. 61] (the “Interim Order”). In the Interim Order, the Bankruptcy Court approved the initial stipulation between SCI, Propco, the Mortgage Lenders, and DB pursuant to sections 361, 362 and 363 of title 11 of the Bankruptcy Code for an order approving their agreement for the provision of adequate protection. The final terms of that agreement are contained in this Stipulation.

8. The Parties agree that it is in their mutual best interest that the status quo be maintained with respect to the Leased Hotels and the Master Lease, in accordance with the terms of this Stipulation. To achieve that result, the Parties agree to the Stipulations set forth below.

STIPULATION

WHEREFORE, SCI, PropCo, the Mortgage Lenders, and DB hereby stipulate by and among themselves, and request that the Court enter its order approving, the following:

a. Prior to the entry of an order of the Bankruptcy Court approving assumption or rejection of the Master Lease, SCI shall timely pay all amounts due, including, without limitation, rent due under the Master Lease, property tax impound payments due under the Master Lease and Boulder Station ground rent impound payments due under the Master Lease, and timely perform all its other obligations under the Master Lease in accordance with its terms in full satisfaction of the requirements of sections 362(d)(3) and 365(d)(3) of the Bankruptcy Code, provided, however, that all amounts paid by SCI under the Master Lease in excess of the amounts necessary to make monthly debt service payments, property tax impound payments, Boulder Station ground rent impound payments and all other payments or impounds expressly

provided for and authorized in this stipulation, pursuant to the Budget (“Accumulating Cash Collateral”) shall be swept on a monthly basis from the CMBS Bank Account into a newly established bank account of PropCo at HSBC Bank USA, N.A. (such new account the “CMBS ACC Account”) and such Accumulating Cash Collateral shall not be disbursed from the CMBS ACC Account except upon further order of the Bankruptcy Court. The Collateral Agent is hereby granted a perfected first priority lien on and security interest and control agreement rights in the CMBS ACC Account and all cash or securities contained therein, as if such lien on and security interest and control agreement rights in the CMBS ACC Account were a prepetition lien and security interest and control agreement rights, without any further act of perfection by the Mortgage Lenders, provided, however, that such lien and security interest and control agreement rights shall be subject to the investigation by the Committee pursuant to paragraph (m) of this Stipulation to the same extent as the corresponding prepetition lien and security interest. Without limiting the generality of the foregoing, the deposit account control agreement heretofore entered into between HSBC Bank USA, N.A., the Collateral Agent and PropCo in respect of the CMBS Bank Account shall be deemed for all purposes to apply to the CMBS ACC Account without need for further action or additional writing by any party. The effectiveness of any subsequent order of the Court dismissing this bankruptcy case of PropCo for any reason whatsoever shall be subject to the prior transfer of all funds in the CMBS ACC Account to the CMBS Bank Account, which funds, upon transfer, shall be deemed to have been part of the CMBS Bank Account ab initio. The Committee shall receive from PropCo monthly statements for the CMBS ACC Account promptly after the same become available. In addition, SCI shall cause the Leased Facilities to be maintained and operated in accordance with the standards of the Master Lease and in accordance with historical practice.

b. All Master Lease payments shall be made to the account to which such payments were made prior to the Petition Date, and shall be held in such account or another of

1 the "CMBS Mortgage Loan Accounts" described in that Interim Order Pursuant to 11
2 U.S.C. §§ 105(A), 345(B), 363(C) and 364 for Authorization to (I) Continue Cash
3 Management System, (II) Maintain Existing Bank Accounts And Business Forms,
4 And (III) Maintain Existing Investment Policy [Docket No. 22] until PropCo provides
5 notice of a change in bank account information (any such account in which proceeds
6 of Master Lease payments are held being a "CMBS Bank Account") (provided,
7 however, that PropCo shall not change the CMBS Bank Account without (i) notice to
8 the unsecured creditors committee (and for avoidance of doubt any such new CMBS
9 Bank Account shall be subject to the sweep provisions in clause (a) above with
10 respect to Accumulated Cash Collateral) and (ii) the consent of the Mortgage Lenders
11 and the Mortgage Lenders shall be granted valid and fully perfected security interests
12 and control rights with respect to any new CMBS Bank Account). Unless otherwise
13 ordered by the Bankruptcy Court after notice and a hearing, funds in the CMBS Bank
14 Account or any new CMBS Bank Account be used only for: (i) a catch up payment of
15 all unpaid prepetition interest and fees (including, without limitation, fees due under
16 the Mortgage Loan Agreement and Loan Documents, the Swap and the Mortgage
17 Lenders' professionals' fees, if any); (ii) the payment of non-default rate interest due
18 under the Mortgage Loan Agreement, payable in accordance with the terms of the
19 Mortgage Loan Agreement; (iii) monthly payments due (if any pursuant to the terms
20 of the Swap agreements) under the Swap (which for avoidance of doubt shall not
21 include any termination damages); (iv) all reasonable fees and expenses of the
22 Mortgage Lenders to the extent due under the Mortgage Loan Agreement and Loan
23 Documents, including professional fees of Sidley Austin LLP, Cadwalader
24 Wickersham & Taft LLP and Lionel Sawyer & Collins LLP, counsel to the Mortgage
25 Lenders, and Miller Buckfire & Co., financial advisor to the Mortgage Lenders, (v)
26 Boulder Station ground rent due, paid from funds impounded for this purpose; (vi)
27 property taxes due on the Leased Hotels paid from funds impounded for this purpose
28 and any amounts that insure the Leased Hotels paid from impounds funded for this

1 purpose to the extent required under the Mortgage Loan Agreement; (vii) PropCo's
2 reasonable ordinary course expenses of operation consistent with prepetition practice
3 as permitted under the Mortgage Loan Agreement, including reasonable ordinary
4 course professional fees and expenses, business license fees, annual secretary of state
5 fees and other similar corporate expenses, (viii) compensation for, and reasonable
6 fees and expenses incurred by, PropCo's independent directors; (ix) PropCo's
7 expenses of reorganization, consisting of trustee fees, court costs, if any, and the
8 reasonable professional fees and costs of Milbank Tweed, Hadley & McCloy and
9 Lewis & Roca, as attorneys, Lazard as financial advisor, in accordance with an
10 allocation methodology to be agreed upon by the Mortgage Lenders and PropCo, and
11 the reasonable professional fees and costs of Gibson, Dunn & Crutcher, as special
12 counsel to PropCo, and FTI Consulting, as special advisors to PropCo, provided that
13 compensation for estate professionals shall (A) be subject to the Budget and (B) be
14 subject to payment and allowance pursuant to the Bankruptcy Code, as modified
15 pursuant to any entered order permitting interim compensation of estate professionals
16 (x) payment of expenses related to the CMBS Bank Account; and (xi) for no other
17 purpose. Expenditures for items (vii) – (ix) shall be limited to the amounts set forth
18 in the "Budget" attached hereto as Exhibit A (as revised from time to time with the
19 prior written approval of the Mortgage Lenders), and shall not be made after the
20 earlier of (1) the expiration of the 13-week period set forth in the Budget or (2) a
21 Termination Event (as defined below), without the prior written consent of the
22 Mortgage Lenders or further order of the Court. The Debtors shall provide the
23 Committee with copies of any proposed extension or revision to the Budget
24 concurrently with delivery of the same to the Mortgage Lenders and provide the
25 Committee with, promptly following request therefore a copy of the Budget including
26 reasonable detail with respect to all amounts contained therein (and in addition,
27 reasonable information with respect to amounts previously paid and/or to be paid to
28 professionals of the Mortgage Lenders). The Debtors shall provide to the Committee

1 concurrently with delivery of the same to the Mortgage Lenders copies of all financial
2 reports, notices, financial analyses, invoices or other documents relating to the Budget
3 or otherwise required under the Mortgage Loan Agreement. Debtors shall provide
4 the Committee with copies of invoices received from professionals employed by the
5 Mortgage Lenders. All of the monthly payments received by PropCo shall, unless
6 and until disbursed in accordance with the terms hereof, be deposited and maintained
7 at all times in the CMBS Bank Account until all disbursements and impounds to be
8 paid therefrom have been made, with all remaining Accumulated Cash Collateral
9 being deposited into the CMBS ACC Account as set forth in sub-clause (a). To the
10 extent the terms of the Mortgage Loan Agreement are inconsistent with the terms of
11 this Stipulation, this Stipulation shall control and the banks maintaining the CMBS
12 Mortgage Loan Accounts are hereby authorized, upon giving prior written notice to
13 the Mortgage Lenders and PropCo of all such disbursements, to disburse funds at the
14 direction of either the Mortgage Lenders or PropCo provided that the Party requesting
15 withdrawals certifies to the applicable bank and to the other Parties to this Stipulation
16 that such withdrawals are permitted under the terms of this Stipulation.

- 17 c. Notwithstanding anything herein, nothing shall preclude the Committee from
18 requesting that (i) any payments of fees or interest made pursuant to this Stipulation
19 be recharacterized as principal payments under the Mortgage Loan Agreement in the
20 event that the Mortgage Lenders are determined to be undersecured and (ii) subject to
21 paragraph (m), any monthly payments due under the Swap be subject to recapture in
22 the event such Swap is determined by final court order to be a fraudulent conveyance
23 or subject to recharacterization, avoidance or equitable subordination.
- 24 d. Without limiting the effect of clause (m) below, the rights of the Parties including the
25 Committee as to the application of any payments to the Mortgage Loan Agreement
26 from the CMBS Bank Accounts, and the rights of the Parties with respect to any
27 claim for interest at the default rate or other premiums or penalties, are reserved.
28

- 1 e. The liens and security interest of the Mortgage Lenders shall not be subject to
 2 priming, pari passu or subordinate liens, or other modification while this Stipulation,
 3 or as it may be amended from time to time, governs the consensual use of cash
 4 collateral, and PropCo shall not seek or obtain any post-petition financing or other
 5 indebtedness under section 364 of the Bankruptcy Code so long as PropCo is
 6 authorized to use cash collateral on a consensual basis pursuant to this Stipulation or
 7 as it may be amended from time to time.
- 8 f. PropCo may not loan or otherwise transfer Cash Collateral to affiliates outside of the
 9 ordinary course of business and any transfers in the ordinary course of business shall
 10 be in accordance with the Budget. For avoidance of doubt, absent further order of the
 11 Court, no payments shall be made by PropCo under this stipulation to or for the
 12 express benefit of any of the Other CMBS Debtors.¹
- 13 g. SCI and PropCo shall provide, in a timely manner, all reasonably requested, non-
 14 privileged information and opportunities for due diligence, access to personnel and
 15 property inspection rights as may be reasonably requested by the Mortgage Lenders
 16 or their representatives in accordance with the Mortgage Loan Agreement and shall
 17 otherwise comply with all reporting obligations under the Mortgage Loan Agreement,
 18 Loan Documents and the Master Lease.
- 19 h. For so long as the monthly payments (if any) due from PropCo under the Swap are
 20 timely made and no Termination Event has occurred, DB shall not exercise its rights
 21 under such Swap, section 560 of the Bankruptcy Code, or otherwise, to terminate
 22 such Swap, and in the event such Swap is terminated or rejected, damages for
 23 termination shall be determined in accordance with section 562(a) of the Bankruptcy
 24 Code, which shall be deemed to include, so long as such damage claim is not
 25 duplicative, any periodic Swap payments not made prior to the giving of a Swap
 26

27 ¹ The "Other CMBS Debtors" are, collectively, FCP MezzCo Parent, LLC, FCP MezzCo Parent Sub, LLC, FCP
 28 MezzCo Borrower VII, LLC, FCP MezzCo Borrower VI, LLC, FCP MezzCo Borrower V, LLC, FCP MezzCo
 Borrower IV, LLC, FCP MezzCo Borrower III, LLC, FCP MezzCo Borrower II, LLC, and FCP MezzCo Borrower
 I, LLC.

1 Nonpayment Notice (defined below), one periodic Swap payment that is not made
 2 after delivery of a Swap Nonpayment Notice and the amount of any periodic Swap
 3 payments recovered from DB pursuant to the provisions of this Stipulation. The
 4 failure of DB to exercise its termination rights shall be without prejudice to the rights
 5 of DB under the Swap, including the right to terminate in the future upon the
 6 occurrence of a new early termination event under the Swap or a Termination Event
 7 under this Stipulation, which shall include any Swap Nonpayment Notice or any court
 8 order directing return or other recovery of periodic swap payments made after the
 9 Petition Date. PropCo may, in its sole and unilateral discretion in the exercise of its
 10 business judgment and at any time, upon five prior Business Days' notice, notify the
 11 applicable bank holding the CMBS Bank Account and the Mortgage Lenders that it
 12 chooses not to make any further payments on account of the Swap (a "Swap
 13 Nonpayment Notice"). Such election to terminate payment of amounts due under the
 14 Swap shall be an early termination event under the Swap, but shall not constitute,
 15 directly or indirectly, a Termination Event hereunder.

- 16 i. Except as otherwise expressly provided herein, this Stipulation does not limit or
 17 affect the rights, remedies, or claims of any of the Parties hereto or of the Committee
 18 against the others under the provisions of the Bankruptcy Code, other applicable law
 19 or the Mortgage Loan Agreement, the Master Lease and related agreements, all of
 20 which are hereby expressly reserved. In particular, and without limiting the
 21 foregoing, PropCo expressly reserves the right to seek non-consensual use of cash
 22 collateral and/or debtor in possession financing on such notice as is permitted by the
 23 Bankruptcy Court and the Collateral Agent and the Mortgage Lenders hereby reserve
 24 all of their rights to contest such further use of cash collateral or debtor in possession
 25 financing. The Mortgage Lenders also expressly reserve the right to seek additional
 26 adequate protection, as well as payment of any difference between PropCo's
 27 obligations under the Mortgage Loan Agreement and the payments actually made
 28

hereunder, provided that the disallowance thereof by the Court shall not be a Termination Event.

- j. To the extent of the use of any cash collateral and for any diminution in the value of the Mortgage Lenders' interests in the Collateral, the Collateral Agent shall receive, on behalf of itself and the Mortgage Lenders, replacement security interests in and liens upon all of the Collateral and all proceeds thereof, whether existing on the Petition Date or acquired thereafter (including, without limitation, all proceeds (as defined in the New York Uniform Commercial Code) on account of the Collateral), and all assets of PropCo of the same nature and type as the Collateral whether presently owned or hereafter acquired by PropCo, in each case to the same extent and validity as the Mortgage Lenders' prepetition liens and security interests. To the extent that the Mortgage Lenders' pre-petition liens and security interests are not successfully challenged, then the adequate protection liens shall not be subject to challenge, but will nevertheless be limited in amount to the actual diminution of value of the Collateral.
- k. This Stipulation will be binding upon (a) SCI, PropCo, and any trustee or examiner that may be appointed in their Cases, or their respective successors and assigns, (b) the Mortgage Lenders, DB and their respective successors and assigns, and (c) the trustee in the event that the above-captioned cases are converted to cases under Chapter 7 of the Bankruptcy Code and (d) all creditors and other parties in interest in the Cases having notice of this Stipulation, including parties claiming derivatively through the Debtors or their estates.
- l. PropCo's authority to use cash collateral pursuant to this Stipulation shall automatically terminate upon (each a "Termination Event"): (i) if a Debtor files, or files papers in support of, any motion or pleading (including a plan of reorganization) seeking an order, or the entry of an order, authorizing (a) non-consensual use of cash collateral or debtor in possession financing by PropCo, (b) reduction in the rent or other cash amounts payable, or avoidance of payment by SCI of the full amount of

the rent due, under the Master Lease, (c) rejection or recharacterization of the Master Lease, or (d) any claims or causes of action described in paragraph (m) below; (ii) any deemed rejection of the Master Lease occurring by operation of Section 365 of the Bankruptcy Code; (iii) consistent with (i) above, the filing by a Debtor of any motion or pleading, or supporting papers, (including a plan of reorganization), or the entry of an order, challenging or effecting the validity, priority, perfection and/or amount of the Mortgage Lenders' liens or claims against PropCo or its assets, including any adversary proceeding described in paragraph m hereof; (iv) SCI and PropCo's failure to secure approval of this Stipulation in a form acceptable to the Mortgage Lenders on or before September 4, 2009 and the entry of a final order in a form acceptable to the Mortgage Lenders approving this Stipulation on or before September 9, 2009; and (v) the failure of SCI or PropCo to fully comply with and perform all terms, conditions and obligations contained in this Stipulation (including, without limitation, performing all obligations under the Master Lease per the terms thereof), after giving effect to any cure period provided in the Master Lease with respect to any non-monetary defaults thereunder.

- m. The stipulations and admissions contained in this stipulation, including those set forth in recital paragraph 5, shall be binding upon the Debtors party hereto, each other Debtor and their respective successors and assigns (including any chapter 7 or chapter 11 trustee hereinafter appointed or elected for any of the estates of the Debtors). The stipulations and admissions contained in recital paragraph 5 shall be binding upon all other parties-in-interest, including the Committee, the SCI Special Committee or any Debtor prosecuting an action identified by the SCI Special Committee, unless the Committee, the SCI Special Committee or any Debtor prosecuting an action identified by the SCI Special Committee files an adversary proceeding on or before the date that the first to occur of (x) ninety (90) days following the date of delivery to the Committee of a copy (with redaction as necessary in the determination of SCI; provided, however, that the Committee reserves all rights to object to any issues

1 regarding any such redaction) of the report of the special committee of the board of
2 directors of SCI (the "SCI Special Committee") with respect to potential claims of
3 SCI under chapter 5 of the Bankruptcy Code (11 U.S.C. §§ 501 - 562), together with
4 reasonable underlying documentation or (y) January 15, 2010 (such time period being
5 the "Investigation Period," and in the event that an adversary proceeding as described
6 in this paragraph (m) is not filed during the Investigation Period, such date shall be
7 referred to as the "Investigation Period Termination Date") (A) challenging the
8 validity, enforceability, priority, perfection, characterization or amount of the
9 Debtors' obligations, liens or security interests under the Loan Documents defined in
10 the Mortgage Loan Agreement or (B) asserting any claims or causes of action against
11 any of the Mortgage Lenders, the Collateral Agent or DB in their capacities as such.
12 The Committee reserves the right to apply to the Bankruptcy Court to extend the
13 Investigation Period. If no such adversary proceeding by the Committee, the SCI
14 Special Committee or a Debtor with respect to an action identified by the SCI Special
15 Committee, is commenced during the Investigation Period, (i) the claims of DB, the
16 Collateral Agent and the Mortgage Lenders under the Loan Documents defined in the
17 Mortgage Loan Agreement or the documents evidencing the Swap shall constitute
18 allowed claims against each applicable Debtor and shall not be subject to any contest,
19 objection, recoupment, counterclaim, defense, offset, subordination,
20 recharacterization, avoidance, or other claim, challenge, or cause of action under the
21 Bankruptcy Code, applicable non-bankruptcy law, or otherwise and the liens and
22 security interests provided for under the Loan Documents defined in the Mortgage
23 Loan Agreement shall be deemed legal, valid, binding, enforceable, duly perfected,
24 not subject to any objection, counterclaim, setoff, offset of any kind, subordination, or
25 defense, and such liens are otherwise unavoidable; and (ii) DB, the Collateral Agent
26 and the Mortgage Lenders shall not be subject to any other or further claims,
27 counterclaims, causes of action or lawsuits by any party-in-interest or any successor
28 thereto. If any such adversary proceeding is commenced during the Investigation

1 Period, the stipulations and admissions set forth in recital paragraph 5 shall
2 nevertheless remain binding and preclusive (as provided in the second sentence of
3 this paragraph) on the Committee and on any other Person or entity, except if such
4 stipulation or admission has been expressly challenged in an adversary proceeding
5 commenced within the Investigation Period, in which event such exception shall
6 apply only to the extent that a final, non-appealable order finds in favor of the
7 challenging party. Nothing set forth in this stipulation shall prevent the Committee
8 from at any time further objecting to the making by Debtor of monthly payments
9 under the Swap. Delivery of the report of the SCI Special Committee and any
10 underlying documents to the Committee shall neither create nor wave any privilege
11 that any person might have with respect to such report or underlying documents.
12 Neither the SCI Special Committee nor any Debtor may challenge the attachment or
13 perfection of the liens and security interests in favor of the Mortgage Lenders or
14 Collateral Agent in respect of the Collateral.

15 n. In the event that any or all of the provisions of this stipulation are hereafter modified,
16 amended or vacated by a subsequent order of this or any other court, no such
17 modification, amendment or vacation shall affect the validity, enforceability, or
18 priority of any lien, claim, right or obligation authorized or created hereby (including,
19 without limitation, the adequate protection liens.

20 [SIGNATURES APPEAR ON FOLLOWING PAGE]
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28

1 WHEREFORE, SCI, PropCo, the Mortgage Lenders, and DB, by their
2 signatures below, hereby so stipulate by and between themselves as set forth herein on the date
3 set forth below but effective as of the Petition Date, and respectfully request that the Court enter
4 its order approving and effectuating their mutual agreements set forth herein on a final basis.

5
6 September 4, 2009

STATION CASINOS, INC.,
a Nevada Corporation,
as Debtor and Debtor In Possession

7
8
9 By: 

Name: Thomas M. Friel
Title: Executive Vice President

10
11 FCP PROPCO, LLC,
12 a Delaware limited liability company
13 as Debtor and Debtor In Possession

14 By: 

Name: Richard J. Haskins
Title: Manager

15
16
17 GERMAN AMERICAN CAPITAL
18 CORPORATION

19 By: _____

Name
Title

20
21 By: _____

Name
Title

22
23
24 JP MORGAN CHASE BANK, N.A.

25
26 By: _____

Name
Title

1 **WHEREFORE**, SCI, PropCo, the Mortgage Lenders, and DB, by their
2 signatures below, hereby so stipulate by and between themselves as set forth herein on the date
3 set forth below but effective as of the Petition Date, and respectfully request that the Court enter
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5
6 September 4, 2009

STATION CASINOS, INC.,
a Nevada Corporation,
as Debtor and Debtor In Possession


7
8
9 By: _____
10 Name: Thomas M. Friel
11 Title: Executive Vice President

12 FCP PROPCO, LLC,
13 a Delaware limited liability company
14 as Debtor and Debtor In Possession

15 By: _____
16 Name: Richard J. Haskins
17 Title: Manager

18 GERMAN AMERICAN CAPITAL
19 CORPORATION

20 By:  _____
21 Name Robert W. Pettinato
22 Title Managing Director

23 By:  _____
24 Name Kelly A. Carter
25 Title Vice President

26 JP MORGAN CHASE BANK, N.A.

27 By: _____
28 Name
Title

1 **WHEREFORE**, SCI, PropCo, the Mortgage Lenders, and DB, by their
2 signatures below, hereby so stipulate by and between themselves as set forth herein on the date
3 set forth below but effective as of the Petition Date, and respectfully request that the Court enter
4 its order approving and effectuating their mutual agreements set forth herein on a final basis.

5
6 September 4, 2009

STATION CASINOS, INC.,
a Nevada Corporation,
as Debtor and Debtor In Possession

7
8
9 By: _____
10 Name: Thomas M. Friel
 Title: Executive Vice President

11 FCP PROPCO, LLC,
12 a Delaware limited liability company
13 as Debtor and Debtor In Possession

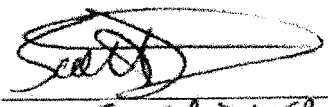
14 By: _____
15 Name: Richard J. Haskins
 Title: Manager

16 GERMAN AMERICAN CAPITAL
17 CORPORATION

18
19 By: _____
20 Name
 Title

21 By: _____
22 Name
 Title

23
24 JP MORGAN CHASE BANK, N.A.

25 By: 
26 Name SCOTT B. DAKER
27 Title EXECUTIVE DIRECTOR
28

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Deutsche Bank AG ("DB")

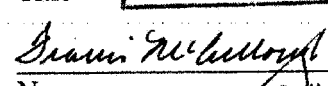
By:

Name
Title


Steven Kessler
Director

By:

Name
Title


Travis McCullough
Director

1 Dated: September 4, 2009

Respectfully submitted,

2
3 By: /s/

Paul S. Aronzon, CA State Bar #88781
Thomas R. Kreller, CA State Bar #161922
MILBANK, TWEED, HADLEY & McCLOY LLP
601 South Figueroa Street, 30th Floor
Los Angeles, California 90017
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Debtors and Debtors in Possession

7 Bruce T. Beesley, #1164
8 Laury Macauley, #11413
9 LEWIS AND ROCA LLP
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10 Reno, NV 89501
11 bbeesley@lrlaw.com; lmacauley@lrlaw.com
Local Reorganization Counsel
For Debtors and Debtors in Possession

12 APPROVED AS TO FORM:

13
14 By: /s/ Jeffrey E. Bjork
15 Shalom L. Kohn
16 Jeffrey E. Bjork
17 SIDLEY AUSTIN LLP
18 1 South Dearborn
Chicago, Illinois 60603
skohn@sidley.com; jbjork@sidley.com

19 Attorneys for the Deutsche Bank entities

20 APPROVED AS TO FORM:

21
22 By: /s/Bonnie Steingart
23 Bonnie Steingart
24 Marissa Soto
25 Fried, Frank, Harris, Shriver & Jacobson LLP
One New York Plaza
New York, New York 10004
Bonnie.Steingart@friedfrank.com

26 Proposed Attorneys for the Unsecured Creditors' Committee
27
28

EXHIBIT A

EXHIBIT A

Station Casinos, Inc. - 13-Week Cash Flow - Proppo
(in thousands)

WEEK ENDING	Wk. 1 7/31	Wk. 2 8/7	Wk. 3 8/14	Wk. 4 8/21	Wk. 5 8/28	Wk. 6 9/4	Wk. 7 9/11	Wk. 8 9/18	Wk. 9 9/25	Wk. 10 10/2	Wk. 11 10/9	Wk. 12 10/16	Wk. 13 10/23	Total 13-Wk
OPERATING CASH FLOW														
1.0 Operating Cash Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.1 Palace Station	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.2 Boulder Station	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.3 Texas Station	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.4 Sunset Station	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.5 Santa Fe Station	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.6 Red Rock	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.7 Fiesta Rancho	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.8 Fiesta Henderson	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.9 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.10 Total Property Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.11 Change in Cage Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.12 Thunder Valley Management Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.13 Green Valley Ranch Management Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.14 Alliance Management Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.15 Other Management Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.16 Transfers from Unrestricted Subs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.17 Master Lease Rent	-	-	21,449	-	-	-	21,449	-	-	-	-	21,449	-	64,347
1.18 Total Operating Cash Receipts	-	-	21,449	-	-	-	21,449	-	-	-	-	21,449	-	64,347
2.0 Operating Disbursements	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Payroll and Taxes/Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Advertising/Marketing/Entertainment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.3 Gaming Fees and Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.4 Maintenance/Utilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.5 Food and Beverage	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.6 Other (Property Taxes and Insurance)*	3,361	-	-	-	253	-	-	-	253	-	-	-	253	4,120
2.7 Corporate Expenses/Development/Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.9 Subtotal Operating Disbursements	3,361	-	-	-	253	-	-	-	253	-	-	-	253	4,120
SUBTOTAL OPERATING CASH FLOW	(3,361)	-	21,449	-	(253)	-	21,449	-	(253)	-	-	21,449	(253)	60,227
3.0 Non-Operating Disbursements	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.1 Debt Borrowing/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.2 CMBS Rent Payment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.3 Land Loan (Interest, Insurance, Taxes)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.4 Boulder Land Lease	(223)	-	-	-	(223)	-	(8,575)	-	(223)	-	-	-	(223)	(892)
3.5 Interest Payments	-	-	(8,575)	-	-	-	-	-	-	-	-	-	-	(25,450)
3.6 Capital Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.7 Native American - Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.8 Native American - Guel Lake	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.9 Native American - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.10 Radio Road Contribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.11 GVR Contribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.12 Alliance Contribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.13 CMBS Capital Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.14 Indemnity Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.15 Deal Professional Fees	(1,200)	-	-	-	-	-	-	-	-	(1,200)	-	-	-	(3,600)
3.16 Cash Management Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.17 Required Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.18 Other (Independent Director Fees)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.19 Total Non-Operating Disbursements	(1,445)	-	(8,575)	-	(223)	-	(8,575)	-	(223)	(1,200)	-	-	(8,299)	(30,008)
4.0 Change in Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NET CASH FLOW	(4,806)	-	12,874	-	(496)	(1,200)	12,874	-	(496)	(1,200)	-	13,150	(476)	30,219
Beginning Period Cash	42,525	37,719	37,719	50,593	51,593	50,095	48,895	61,708	61,768	61,270	60,070	60,070	73,220	42,525
Ending Period Cash	37,719	37,719	50,593	50,593	50,095	48,895	61,768	61,768	61,270	60,070	60,070	73,220	72,744	72,744

* Paid from accumulated imputed account proceeds

Draft - For Discussion Purposes Only